[2nd November 1935

Veto by Government of the resolution of the Palamcottah Municipality in regard to the reduction of the tax on cycles.

* 411 *Q.*—Mr. K. A. Nachiyappa Gounder:—" Will the Hon. the Minister for Local Self-Government be pleased to state—

(*a*) whether it is a fact that the Palamcottah Municipality resolved to reduce the tax on bicycles, and addressed the Government in the matter;

(*b*) if so, whether a copy of the resolution and the covering letter thereon of the chairman of that municipality addressed to the Government will be placed on the table; and

(*c*) whether it is a fact that the request of the municipality was vetoed by the Government and if so, whether a copy of the order passed by the Government in the matter will be placed on the table?

A.—(*a*) Yes.

(*b*) & (*c*) The Government vetoed the Council's request. Copies [a] of the Council's resolution, the Commissioner's letter and the order of Government are placed on the table.

Mr. K. A. Nachiyappa Gounder:—" May I know the reasons why the Government have refused to comply with the request of the municipality in this matter? "

The Hon. the Raja of Bobbili:—" The correspondence in the annexure will show that the Government wish to be satisfied that the financial position of the municipality is not worsened, before they agree to the reduction of the cycle-tax. The Government have suggested that the tax can be reduced or removed if the local body concerned is prepared to levy an alternative tax."

Mr. K. A. Nachiyappa Gounder:—" Is it not a fact, Sir, that the Hon. Minister stated at the time of the discussion of the City Municipal Act Amending Bill that the matter is left to the discretion of the local authorities concerned? "

The Hon. the Raja of Bobbili:—" It will not be possible for the Government to agree to any reduction of the tax in the middle of the financial year. The Government have given large loans to local bodies; they have to be satisfied that the reduction of the tax is in the public interest and that it does not result in the local body not being able to pay the interest charges and annuities."

Mr. V. T. Arasu:—" Arising out of the answer given just a while ago, I want to know whether the Hon. Minister suggests that the municipality concerned passing that resolution has acted in an irresponsible manner? "

The Hon. the Raja of Bobbili:—" I am not prepared to say whether it acted in a responsible manner or in an irresponsible manner. The Government have considered the matter on facts."

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[a] Printed as Appendix III on pages 505–506 infra.

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Diwan Bahadur C. S. Ratnasabhapati Mudaliyar:—" Will the Hon. Minister be pleased to give the figures?" 11-15 a.m.

The Hon. the Raja of Bobbili:—" I have not got figures."

Mr. Daniel Thomas:—" May I know whether the Government will be pleased to take into consideration the financial aspect of the question and the fact that the amount collected as cycle-tax has decreased during the last year? Will not reduction in cycle-tax encourage more cycles to be used and it will augment the amount of cycle-tax collected?"

The Hon. the Raja of Bobbili:—" It is a matter for the municipal council concerned to make out a case and to convince the Government."

Diwan Bahadur C. S. Ratnasabhapati Mudaliyar:—" May I know whether the Government are aware that when the maximum was fixed in the Act by the Government, the cost of cycles was Rs. 200 or Rs. 300, and whether they are aware that now the cost of cycles has gone down to Rs. 40 and less?"

The Hon. the Raja of Bobbili:—" I am aware that cycles are now available at cheap prices."

Resolutions of the Tinnevelly and Palamcottah Municipalities in regard to the reduction of tax on cycles.

* 412 *Q.*—Mr. K. A. Nachiyappa Gounder: Will the Hon. the Minister for Local Self-Government be pleased to state—

(*a*) whether it is a fact that the Tinnevelly Municipality adopted a resolution for the reduction of the tax on bicycles, and solicited the sanction of the Government for the same;

(*b*) if so, whether a copy of the resolution and the letter of the Chairman to the Government in the matter will be placed on the table;

(*c*) what orders have been passed by the Government thereon and whether a copy of it will be placed on the table;

(*d*) whether the said municipality as well as the municipality of Palamcottah asked for the reconsideration of the orders of the Government; and

(*e*) if so, whether the copies of the resolutions in the matter as well as the orders passed thereon will be placed on the table?

A.—(*a*) Yes.

(*b*) & (*c*) Yes. They [a] are placed on the table.

(*d*) Only the Palamcottah Municipality asked for a reconsideration of the orders of Government.

(*e*) They [a] are placed on the table.

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[a] Printed as Appendix IV on pages 506–508 infra.